



**The City of New York**  
**BUSINESS INTEGRITY COMMISSION**  
100 Church Street · 20th Floor  
New York · New York 10007  
Tel. (212) 437-0500

**DECISION OF THE BUSINESS INTEGRITY COMMISSION DENYING  
THE REGISTRATION RENEWAL APPLICATION OF LOU’S FISH MARKET, INC.  
TO OPERATE AS A WHOLESALE SEAFOOD BUSINESS**

**I. Introduction**

On February 4, 2019, Lou’s Fish Market, Inc. (“Lou’s Fish Market”) (FFM-76) applied to the New York City Business Integrity Commission for a renewal of its registration to operate as a wholesale seafood business (the “Instant Application”). Local Law 50 of 1995 authorizes the Commission to review and make determinations on such wholesale seafood business registration applications. *See* Title 22, New York City Administrative Code (“Administrative Code” or “Admin. Code”) § 22-209(a). The Commission’s review of a wholesale seafood business registration application focuses on a determination of whether the applicant possesses business integrity, *i.e.*, good character, honesty and integrity. *See* Title 17, Rules of the City of New York (“RCNY”) §§ 12-18, 12-19 (prohibiting numerous types of conduct reflecting lack of business integrity, including violations of law, knowing association with organized crime figures, and false or misleading statements to the Commission); Admin. Code § 22-209(a)-(b) (empowering the Commission to issue and establish standards for the issuance and revocation of registrations); Admin. Code § 22-216(b)-(c) (authorizing the Commission to refuse to issue registrations to applicants lacking “good character, honesty and integrity”).

On June 12, 2020, the Commission’s staff personally served principal Mark Parente with the Commission staff’s Notice to the Applicant of the Grounds to Deny the Application of Lou’s Fish Market for a Registration to Operate as a Wholesale Seafood Business (the “Notice”). *See* June 14, 2020 Affidavit of Service. Lou’s Fish Market had 10 days to respond to the Notice, until June 26, 2020. *See* Title 17, Rules of the City of New York (“RCNY”) § 2-08(a).

On June 30, 2020, the Commission received a 35-page response from Lou’s Fish Market, which consisted of a one-page letter from the Applicant’s attorney, a 12-page sworn statement signed by Mark Parente, a one-page stock transfer document (Exhibit 1), a one-page Greater Atlantic Federal Dealer Permit (Exhibit 2), a one-page New York State Marine Permit Certificate (Exhibit 2), an eight-page criminal judgment captioned *United States of America v. Mark Parente*, U.S. District Court, Eastern District of New York (Exhibit 3), and a seven-page criminal judgment captioned *United States of America v. Lou’s Fish Market Inc.*, U.S. District Court, Eastern District of New York (Exhibit 4). *See* Applicant’s Response dated June 24, 2020 (collectively, the “Response”).

The Commission has completed its review of the Instant Application, having carefully considered both the Commission staff's Notice and the Response. Based on the record, the Commission denies the Instant Application because the Applicant lacks good character, honesty and integrity based on the following three independently sufficient grounds:

- 1. Lou's Fish Market and its principal have been convicted of multiple felonies related to the handling of seafood;**
- 2. The principal of Lou's Fish Market has been convicted of multiple racketeering offenses; and**
- 3. Lou's Fish Market and its principal have engaged in numerous acts prohibited by the Commission's rules and regulations.**

## **II. Background and Statutory Framework**

Local Law 50 and the rules promulgated thereunder require that wholesale seafood businesses within the Fulton Fish Market Distribution Area register with the Commissioner of the Department of Business Services. *See* NYC Admin. Code § 22-209; 17 RCNY §§ 12-02, 12-13; 66 RCNY §§ 1-31(a), 1-32. The duties of the Commissioner of the Department of Business Services were later transferred to the Organized Crime Control Commission, pursuant to a charter revision provision approved by the electorate in November 2001. The Organized Crime Control Commission was subsequently renamed the Business Integrity Commission pursuant to Local Law 21 of 2002. The Fulton Fish Market Distribution Area was geographically relocated on November 13, 2005, and upon moving was renamed "The New Fulton Fish Market at Hunts Point." The City's full regulatory authority over the Fulton Fish Market Distribution Area was conferred upon The New Fulton Fish Market at Hunts Point ("NFFM"), effective November 9, 2005. *See* 66 RCNY § 1-58. On September 26, 2010, Title 66 of the Rules of the City of New York was replaced with Chapter 2 of Title 17 of the Rules of the City of New York.

The Commission may refuse to register a seafood wholesaler or a seafood deliverer in the NFFM when any of its principals lacks good character, honesty and integrity. Admin. Code §§ 22-209(b), 22-211(b), 22-216(b)-(c). Administrative Code § 22-216(b) lists the following factors that the Commission may consider in making a fitness determination:

1. failure by such applicant to provide truthful information in connection with the application;
2. a pending indictment or criminal action against such applicant for a crime which under this subdivision would provide a basis for the refusal of such license, or photo identification card, or a pending civil or administrative proceeding to which such applicant is a party and which relates to the fitness to conduct the business or perform the work for which the license or photo identification is sought, in which cases the commissioner may defer consideration of a proposal or application until a decision has been reached by the

court or administrative tribunal before which such action or proceeding is pending, unless such applicant demonstrated to the commissioner that such pending action or proceeding should not be the basis for deferral of the license or photo identification card or consideration of the proposal;

3. conviction of such applicant for a crime which, under article twenty-three-A of the correction law, would provide a basis for the denial of a license to conduct business in the market area;

4. commission of a racketeering activity or association with a person who has been convicted of a racketeering activity when the applicant knew or should have known of such conviction, including but not limited to the offenses listed in subdivision one of section nineteen hundred sixty-one of the Racketeer Influenced and Corrupt Organizations statute (18 U.S.C. §1961 *et seq.*) or of an offense listed in subdivision one of section 460.10 of the penal law, as such statutes may be amended from time to time, or the equivalent offense under the laws of any other jurisdiction;

5. association with any member or associate of an organized crime group as identified by a federal, state or city law enforcement or investigative agency when the applicant knew or should have known of the organized crime associations of such person;

6. failure to pay any tax, fine, penalty, or fee related to the applicant's business for which liability has been admitted by the person liable therefor, or for which judgment has been entered by a court or administrative tribunal of competent jurisdiction and enforcement of such judgment has not been stayed.

*Id.* at § 22-216(b)(i)-(vi). Local Law 50 makes clear that the Commission is not limited to consideration of the enumerated factors; the list is meant to be illustrative and not exhaustive.

### **III. Statement of Facts**

#### *1. Applications*

Lou's Fish Market is a wholesale seafood business located in the NFFM. Lou's Fish Market filed its first application for a wholesale seafood business registration with the Department of Business Services ("DBS") in 1997. *See* Original Application to DBS. The Commission issued a registration to Lou's Fish Market in 2004. *See* Original Registration Order. Lou's Fish Market duly applied to renew its registration on December 15, 2005, January 9, 2008, December 15, 2009, and January 30, 2012; all of these applications were approved by the Commission. *See* 2006 Renewal Application; 2008 Renewal Application; 2010 Renewal Application; 2012 Renewal Application. On December 24, 2013, Lou's Fish Market filed a renewal application for a registration as a wholesale business, market business, or seafood delivery business for a two-year

period beginning February 1, 2014 (“2014 Renewal Application”). *See* 2014 Renewal Application. On each of these applications, Lou’s Fish Market disclosed Mark Parente (“Parente”) and his father, Henry Parente, as its principals.

On February 12, 2014, the Commission issued Lou’s Fish Market a renewal of its seafood wholesaler registration, valid for the period of February 1, 2014 through January 31, 2016. *See* Notice of Approval and Certificate dated February 12, 2014. On February 12, 2016, Lou’s Fish Market filed another renewal application for a registration as a wholesale business, market business, or seafood delivery business for a period beginning February 1, 2016 (“2016 Renewal Application”). *See* 2016 Renewal Application. The 2016 Renewal Application disclosed Parente as the sole principal of Lou’s Fish Market. *See id.* at 9.<sup>1</sup> On February 4, 2019, Lou’s Fish Market filed the Instant Application for the two-year period beginning February 1, 2019.<sup>2</sup> *See* Instant Application. Like the 2016 Renewal Application, the Instant Application disclosed Parente as the sole principal of Lou’s Fish Market. *See id.* at 9.

## 2. *The Criminal Scheme*

In order to prevent overfishing and ensure sustainable fisheries, the National Oceanic and Atmospheric Administration (“NOAA”), as well as state authorities, place various restrictions on fishing vessel operators. *See U.S. v. Mark Parente and Lou’s Fish Market, Inc.*, Index No. CR-15 278, Information (the “Information”), at 2 (E.D.N.Y. June 4, 2015). These restrictions limit the quantity of species of fish that can be caught at any particular time. *See id.* NOAA allocates catch shares to states in specific regions. *See id.* After New York State’s catch share is established by NOAA, New York puts into place its own quota system for commercial fishing vessels operating out of New York ports. For fluke, scup and black sea bass, New York State sets a hard limit of the total daily weight that can be caught by a fishing vessel. *See id.* In order to ensure compliance with these quotas, fishing vessels are required to complete Fishing Vessel Trip Reports (“FVTRs”), which report on the type and weight of the fish that have been caught. *See id.* at 3. The FVTRs are then signed and certified by the fishing vessel operator and mailed to NOAA. *See id.* at 3, 5.

NOAA also regulates some wholesale seafood businesses, known as fish dealers. *See id.* at 4. Lou’s Fish Market is licensed by NOAA as a fish dealer. *See U.S. v. Lou’s Fish Market*, Plea Agreement (“Lou’s Fish Market Plea Agreement”) at 3. As a federally licensed fish dealer, Lou’s Fish Market is able to make first purchases of seafood from federally licensed fishing vessels. *See id.* at 3-4. Fish dealers such as Lou’s Fish Market also have federal reporting requirements. *See id.* Lou’s Fish Market must submit weekly dealer reports electronically through the NOAA website; the reports contain information related to the seafood Lou’s Fish Market purchases, including the type, weights, prices, catch vessel, and corresponding FVTR number. *See* Information at 4; Lou’s Fish Market Plea Agreement at 3-4.

From May 1, 2011 to December 31, 2011, Lou’s Fish Market, under the direction of Parente, bought over-quota, unreported, and illegal fluke, scup, and black sea bass from two fishermen who operated in Long Island, New York. *See U.S. v. Parente*, Plea Agreement (the “Parente Plea Agreement”) at 4, 6. Parente knew these fishermen were exceeding their catch

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<sup>1</sup> According to the 2016 Renewal Application, Henry Parente died on January 13, 2016.

<sup>2</sup> The 2016 Renewal Application was subsumed by the Instant Application.

quotas and falsifying their FVTRs. *See id.* Since Parente recognized that a mismatched FVTR and dealer report would indicate a serious error or fraud, he made sure that a corresponding false dealer report was entered for each false FVTR that the fishermen sent to NOAA. *See id.* Thus, Parente coordinated Lou’s Fish Market’s false dealer reports with the false FVTRs of the fishermen. *See id.* at 5-6.

In order to perpetrate the fraud, Parente had the catch information communicated to him from these fishermen around the time the fishermen were unloading the vessel.<sup>3</sup> *See id.* at 6. As a result, the data, including the fish species, species weight, quota designation, and price paid that was submitted on these dealer reports was false. *See* Information at 6. Parente, for instance, would falsely identify fluke as whiting or squid. *See id.* From May through December 2011, Lou’s Fish Market submitted at least 78 dealer reports to NOAA containing false statements. *See id.* at 11; Parente Plea Agreement at 5-6. In doing so, Parente also directed unwitting subordinates to prepare and file false dealer reports with NOAA. *See id.* At the end of the scheme, Parente had made \$481,000 from the illegally caught fish.<sup>4</sup> *See id.* at 7. The total net pecuniary loss to NOAA and New York State was \$481,000 – the wholesale value of the illegally caught fish. *See id.*

On July 7, 2015, Lou’s Fish Market pleaded guilty to one count of Falsification of Federal Records, 18 U.S.C § 1519, and one count of Lacey Act False Labeling, 16 U.S.C. §§ 3372(d)(2), 3373(d)(3)(A)(ii). *See* Press Release, U.S. Attorney’s Office, Eastern District of New York, July 7, 2015 (“EDNY Press Release”); Plea Agreement of Lou’s Fish Market. That same day, Parente pleaded guilty to two counts of wire fraud, 18 U.S.C § 1343; one count of aiding and abetting mail fraud, 18 U.S.C. § 1341, and one count of falsification of federal records, 18 U.S.C § 1519. *See* EDNY Press Release; Parente Plea Agreement.

Lou’s Fish Market and Parente were sentenced on November 21, 2019. *See* Judgment in a Criminal Case, *United States v. Lou’s Fish Market Inc.*, Index No. 2:15-CR-0278-002 (JFB) (E.D.N.Y. November 21, 2019) (“Judgment of Lou’s Fish Market”); Judgment in a Criminal Case, *United States v. Mark Parente*, Index No. 2:15-CR-0278-001 (JFB) (E.D.N.Y. November 21, 2019) (“Judgment of Parente”). Lou’s Fish Market was sentenced to three years’ probation, an assessment of \$800, and a criminal monetary penalty of \$500,000. *See* Judgment of Lou’s Fish Market. Parente was sentenced to five years of probation with six months of home confinement, a \$400 assessment, \$481,000 in restitution, and a fine of \$60,000.<sup>5</sup>

The Lou’s Fish Market and Parente sentences also contained a number of special conditions of supervision. The special conditions for Lou’s Fish Market included engaging an outside accounting firm to conduct an annual audit of all aspects of the seafood business, being banned from buying fish from Thomas Kokell and James Kaminsky (the two fishermen with whom Lou’s Fish Market and Parente engaged in their scheme), and being banned from participating in any federal or New York State research Set-Aside Program to include the purchasing of fish caught in a research set-aside program. *See* Judgment of Lou’s Fish Market at 4. The special conditions for

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<sup>3</sup> The scheme included the communication of catch information between Parente and the fishermen via packing slips, notations, shipping tags, and oral statements. *See* Information at 6, 9.

<sup>4</sup> This amount was estimated in value from 203,044 pounds of fluke, 12,258 pounds of black sea bass, and 50,670 pounds of scup. *See* Plea Agreement of Parente at 6-7.

<sup>5</sup> Of the fines ordered, \$100,000 from Lou’s Fish Market and \$10,000 from Parente must be paid to the National Fish and Wildlife Foundation. *See* Judgment of Lou’s Fish Market at 6; Judgment of Parente at 7.

Parente included a prohibition on gambling, participation in an outpatient drug treatment program, a ban from any position that involves completing or directing others to complete federal or New York State dealer reports, a bar from holding a federal dealer license and a New York State Marine and Coastal District Food Fish and Crustacea Dealers and Shippers License, a ban on participating in any federal or New York State Research Set-Aside Program including purchasing fish from a research set-aside program, and a prohibition from “engaging in any employment which involves work in the fishing industry.” *See* Judgment of Parente at 5. The Response submitted by the Applicant did not dispute any of the facts in the staff’s recommendation.

#### **IV. Basis for Denial**

##### **1. Lou’s Fish Market and its principal have been convicted of multiple felonies related to the handling of seafood.**

The Commission is expressly authorized to consider the commission of crimes by the applicant or any of its principals which, in light of the factors set forth in article 23-A of the Correction Law, would provide a basis under that statute for refusing to issue a license or registration. *See* Admin. Code § 22-216(b)(iii). Those factors are as follows:

- (a) The public policy of this state, as expressed in [the Correction Law], to encourage the licensure . . . of persons previously convicted of one or more criminal offenses.
- (b) The specific duties and responsibilities necessarily related to the license . . . sought.
- (c) The bearing, if any, the criminal offense or offenses for which the person was previously convicted will have on his fitness or ability to perform one or more such duties and responsibilities.
- (d) The time which has elapsed since the occurrence of the criminal offense or offenses.
- (e) The age of the person at the time of occurrence of the criminal offense or offenses.
- (f) The seriousness of the offense or offenses.
- (g) Any information produced by the person, or produced on his behalf, in regard to his rehabilitation and good conduct.
- (h) The legitimate interest of the public agency . . . in protecting property, and the safety and welfare of specific individuals or the general public.

*See* N.Y. Correct. Law § 753(1).

Despite the State’s public policy to encourage the licensure and registration of persons previously convicted of one or more criminal offenses, *see id.* at § 753(1)(a), the Correction Law factors weigh heavily in favor of denying the Instant Application based on Lou’s Fish Market and Parente having been convicted of multiple felonies.

Falsification of federal records, Lacey Act false filings, wire fraud, and aiding and abetting mail fraud – all of which are felonies – are serious offenses. *See* Correction Law § 753(1)(f). In fact, the most serious of those offenses – wire fraud – is punishable by up to 20 years in federal prison. In committing these crimes, Parente knowingly and intentionally devised a scheme to purchase illegally caught fish from two fishermen and filed false reports to conceal the scheme from federal authorities. The entire conspiracy has a nexus with the NFFM, as the illegally caught fish were shipped to the NFFM, and the illicit proceeds came from sales made by Lou’s Fish Market in the NFFM. *See* N.Y. Correct. Law § 753(1)(b), (c). In fact, the crimes to which Lou’s Fish Market and Parente pleaded guilty are so closely related to both the purposes for which the registration is sought and the duties and responsibilities associated with such registration that they alone should result in the denial of the Instant Application. The offenses that Lou’s Fish Market and Parente have committed are antithetical to the very purpose of Local Law 50.

The illicit conduct occurred between May 1, 2011 and December 31, 2011, *i.e.*, not in the distant past, *see id.* at § 753(1)(d), and the criminal case took an exceedingly long time to conclude—Parente was not sentenced until November 21, 2019. Furthermore, Parente committed these crimes when he was 49 and 50 years old, belying any claim that this criminal conduct could be attributed to “youthful indiscretion.” *See* N.Y. Correct. Law § 753(1)(e). He was plainly old enough to know what the law required, how to obey it, and to recognize that the scheme in which he was involved was illegal. In the Response, Parente stated he has “received counseling and treatment.” *See* Response at 12. However, the Response contains no further information concerning rehabilitation and good conduct. *See id.* at § 753(1)(g).

Lastly, with respect to the Correction Law analysis, the Commission has a strong interest in protecting property and the general public. *See id.* at § 753(1)(h). The Commission is responsible for regulating the NFFM and has a genuine interest in ensuring that all forms of corruption are removed, including over-quota, unreported, and illegal fishing. Parente caused unwitting subordinates to break federal law, thereby putting them at risk. Parente’s crimes also enabled others to violate federal laws, which protect the environment and the general public. Thus, the presence of Lou’s Fish Market and Parente in the NFFM is inimical to the welfare of the general public.

In the Response, Parente states that it is his “intention” to transfer ownership in Lou’s Fish Market to his daughter. *See* Response at 1 and 12. The stock transfer document submitted with the Response states that all shares in Lou’s Fish Market were transferred to his daughter on December 30, 2019. *See* Response - Exhibit 1. Parente states that the Applicant will file information regarding the new principal after the filing of the Response, and claims that the delay is “due to the Corona Virus/Covid-19 pandemic which has made it extremely difficult for me to and [sic] provide and coordinate with my attorneys.” *See id.* at 1. However, as noted, the notarized stock transfer document reflects that the transaction occurred in December 2019, well before New

York State or any other state declared an emergency relating to the COVID-19 pandemic. *See id.*<sup>6</sup> The Applicant's proposal that Parente's daughter operate Lou's Fish Market is suspect and untimely since it was submitted to the Commission after receipt of the Notice.

The Response discusses Parente's assistance and "cooperation" with the federal government. *See id.* at 2, 5, and 11. Tellingly, however, the Response is devoid of any discussion or explanation regarding Parente's numerous violations of his cooperation agreement, violations that included, but were not limited to, false statements, evidence tampering, and perjury. *See* Transcript of Criminal Cause for Sentencing *U.S. v. Mark Parente, Lou's Fish Market, Inc.* ("Parente and Lou's Fish Market Sentencing Hearing"). Parente's federal cooperation agreement required that he testify truthfully at the trial of Thomas Kokell. *See* Parente and Lou's Fish Market Sentencing Hearing at 4. Parente plainly failed to do so, violating his cooperation agreement over and over again.

Newspaper accounts and the transcript of Parente's sentencing hearing outline the conduct that led to the violations of his cooperation agreement.<sup>7</sup> As a result of Parente's egregious conduct, the United States Attorney's Office declined to file a document commonly referred to as a 5k letter, in which the government asks the Court to give the defendant a benefit at sentencing as a result of the defendant's "substantial assistance" to the government.<sup>8</sup> *See* United States Sentencing Guidelines. The Court concurred with the government's decision by stating, "So the government I think properly, in its discretion, decided not to file the 5k." *See* Parente and Lou's Fish Market Sentencing Hearing at 16.

Parente's sentencing hearing is replete with instances of the federal prosecutor and the Court discussing how Parente lied under oath at the Thomas Kokell trial. The Court explained, "There were things that Mr. Parente lied about that clearly made sense from someone trying to minimize." *See id.* at 12. During the hearing, the Court determined that Parente lied and falsified documents, stating, "[Parente] lied, he obviously changed the records prior to the testimony and was lying about that until he got caught." *See id.* at 13. Furthermore, in determining Parente's sentence, the Court asked the government how much of a sentencing enhancement the government was requesting based on Parente's false testimony: "I'm trying to understand, how much extra are you asking for because Mr. Parente lied at the trial?" *See id.* at 42.

The Commission must assess the Applicant's character, honesty and integrity, and that of Parente as its sole principal. Parente's guilty pleas and subsequent acts of lying at the Kokell trial speak to heart of his lack of good character, honesty, and integrity. In the Response, the Applicant seeks leniency for Parente's supposed cooperation with federal authorities, yet omits the fact that Parente violated his cooperation agreement by lying, falsifying documents and violating bail

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<sup>6</sup> As of July 27, 2020, Mark Parente is still the only disclosed principal of Lou's Fish Market. Commission rules require that a registrant shall provide the Commission with notice of at least 10 business days of the proposed addition of a new principal. *See* RCNY § 11-15(b).

<sup>7</sup> Newspaper account of Thomas Kokell trial: "Parente has admitted under sometimes-withering cross examination to lying to investigators, lying to the jury, and erasing the contents of documents submitted as evidence." *See* Newsday, February 25, 2018.

<sup>8</sup> §5K1.1. Substantial Assistance to Authorities: Upon motion of the government stating that the defendant has provided substantial assistance in the investigation or prosecution of another person who has committed an offense, the court may depart from the guidelines.



conditions. *See* Parente and Lou’s Fish Market Sentencing Hearing. Most notably, the Response minimizes the fact that the Applicant itself, and not just Parente, was convicted of serious felonies directly related to the industry in which Lou’s Fish Market seeks to be registered to operate.

Parente also attempts to dissuade the Commission from denying the Instant Application by claiming that such denial will be prejudicial to his ability to pay the \$481,000 in restitution. *See id.* at 9. Parente contends that if the Instant Application is denied, the payment of the \$500,000 fine imposed on the Applicant may be jeopardized. *See id.* Parente’s argument that he and the Applicant may default on court-ordered obligations does not alter the Commission’s conclusion that he lacks the requisite good character, honesty and integrity to operate a wholesale seafood market business.

The sentencing minutes make clear that the Applicant, Parente, the government and the Court were all aware that the circumstances of this case could lead to the Applicant losing the privilege of operating in the NFFM. *See id.* at 28. The government warned Parente that a felony conviction could result in the Applicant’s Instant Application being denied by stating, “The bigger question is going to be the Business Integrity Commission, which runs and oversees the Fulton Fish Market, their view of a felony conviction for fraud in the fish market of one of their people that runs a stand there.” *See id.* at 33.

Moreover, the Applicant was put on notice in 2015 that the guilty pleas may affect licensure with the Commission. *See* Lou’s Fish Market Plea Agreement. On June 17, 2015, Mark Parente, as corporate representative of Lou’s Fish Market, executed a plea agreement to resolve the criminal case pending against the Applicant. *See id.* at 13-14. The plea agreement makes clear that collateral licensing consequences may result from the guilty plea. *See id.* at 12. Specifically, the Applicant agreed that “pleading guilty to these charges may have consequences with regard to [the Applicant’s] ability to maintain and/or obtain governmental licenses and certifications, *e.g.*, seafood sales permits. The defendant further acknowledges that although it has agreed to comport itself pursuant to stipulated Special Conditions of Probation, *that state and federal agencies could legally and independently suspend, revoke, or withhold the issuance of permits or licenses based on the administrative and regulatory authority of those agencies.* Nevertheless, LFM [Lou’s Fish Market] affirms that it desires to plead guilty regardless of any licensing and certification consequences that may result from its guilty plea.” *See id.* (emphasis added).

In the Response, Parente also argues that the federal judge and federal prosecutor were “supportive” of Lou’s Fish Market, and that the company “not lose or have its Fish Dealer License renewal denied.” *See* Response at 3. However, the Court’s order lacks any mention of the Instant Application or the Applicant’s registration status with the Commission. *See* Judgment of Lou’s Fish Market. Neither the Court nor any party ever contended that the plea agreements – which clearly contemplate the possibility of collateral consequences – were to be modified in any way. *See* Parente and Lou’s Fish Market Plea Agreements. While the Court did leave open the possibility of modifying its own orders, the Court never sought to modify or address the possible collateral licensing consequences outlined in the Lou’s Fish Market Plea Agreement. *See* Lou’s Fish Market Plea Agreement. Moreover, the Commission serves a different role and conducts a different analysis in making determinations with respect to wholesale seafood business registration applications than the federal government does. It is the Commission’s duty to protect the NFFM

from corruption and prevent those who lack good character, honesty and integrity from operating there.

Overall, the Response does not and cannot change the fact that the Applicant and Parente pleaded guilty to serious crimes. By their conduct, Parente and Lou's Fish Market have established that they are capable of theft and deception, traits which are repugnant to the responsibilities of holding a registration, and to the good order of the NFFM. As the Commission has a legitimate interest in protecting the property, safety and welfare of other wholesale businesses and customers who utilize the public market, the Commission finds that the Applicant and Parente lack the requisite good character, honesty and integrity necessary to hold a wholesale market business registration.

Particularly given the NFFM's long history of being corruptly influenced by organized crime and the resulting "commission of numerous crimes and wrongful acts there," *see* Admin. Code § 22-201, the public has a compelling interest in ensuring that wholesale seafood businesses operating in the NFFM are free of corruption. The continued registration of Lou's Fish Market is incompatible with that important objective. The convictions in this matter, along with the underlying criminal activities, provide substantial evidence that both Lou's Fish Market and Parente lack good character, honesty, and integrity. Accordingly, the Commission denies the Instant Application on this independently sufficient ground.

## **2. The principal of Lou's Fish Market has been convicted of multiple racketeering offenses.**

The Commission is expressly authorized to consider the convictions by the applicant or any of its principals which are considered racketeering activities under 18 U.S.C. § 1961 (known as the Racketeer Influenced and Corrupt Organizations Act). *See* Admin. Code § 22-216(b)(iv)-(c) ("The commissioner may, after notice and the opportunity to be heard, . . . refuse to issue a license . . . when any of the principals of such business or such person lack good character, honesty and integrity . . ."). "Racketeering activity" includes "any act which is indictable under any of the following provisions of title 18, United States Code: . . . section 1341 (relating to mail fraud), section 1343 (relating to wire fraud) . . ." *See* 18 U.S.C. § 1961. Therefore, Parente's convictions for wire fraud and aiding and abetting mail fraud qualify as racketeering offenses. *See id.*

Parente's convictions for wire fraud and aiding and abetting mail fraud demonstrate that he lacks good character, honesty, and integrity. The Applicant has not disputed the Commission staff's assertions on this point. Accordingly, the Commission denies the Instant Application on this independently sufficient ground. *See* Admin. Code § 22-216(b)(iv).

## **3. Lou's Fish Market and its principal have engaged in numerous acts prohibited by the Commission's rules and regulations.**

The Administrative Code and the Commission's rules prohibit people and wholesalers operating in the markets from engaging in numerous activities. *See* Admin. Code § 22-210; 17 RCNY §§ 12-18, 12-19. Lou's Fish Market and Parente have violated many of those provisions.

Lou’s Fish Market violated the federal Lacey Act by making and submitting false records of fish that were intended to be transported in interstate commerce for sale or purchased at a market value over \$350. *See* 17 RCNY §§ 12-18(a)(7), 12-19(h) (prohibiting a wholesaler and its employees from violating applicable federal regulations regarding the proper handling of seafood). Additionally, Lou’s Fish Market and Parente submitted at least 78 dealer reports to NOAA which contained false statements, such as the information pertaining to the fish caught and purchase prices. *See* 17 RCNY § 12-19(k) (prohibiting a wholesaler and its employees from making, filing, or submitting false or misleading statements to a government agency). In preparing these fraudulent dealer reports, Lou’s Fish Market and Parente also falsified their business records. *See* 17 RCNY § 12-19(l) (prohibiting a wholesaler and its employees from falsifying business records).

Finally, as stated in the transcript of the sentencing, Mark Parente lied while under oath. *See* Parente and Lou’s Fish Market Sentencing Hearing. The Court stated, “Obviously, I found that [Parente] lied under oath intentionally, willfully, in an effort to avoid additional conduct – fraudulent conduct being exposed.” *See* 17 RCNY § 12-19(k) (prohibiting a wholesaler and its employees from making, filing, or submitting false or misleading statements to a government agency).

The Applicant has not disputed the Commission staff’s assertions on this point. Therefore, the Commission denies the Instant Application based on this independently sufficient ground. *See* Admin. Code § 22-216(b)-(c).

## V. CONCLUSION

The Commission is vested with broad discretion to refuse to issue a wholesaler registration to any applicant it determines lacks good character, honesty and integrity. Based on the record set forth above, Lou’s Fish Market has demonstrated that it lacks good character, honesty, and integrity. Accordingly, based upon the three independently sufficient grounds set forth herein, the Commission denies the instant application. The denial is effective 14 days from the date of this denial decision. After the expiration of the 14-day period, the Applicant shall no longer operate as a wholesale seafood business in a public wholesale market.

Dated: July 30, 2020

THE NEW YORK CITY  
BUSINESS INTEGRITY COMMISSION

**Approved at July 30, 2020**  
**Telephonic Commission Meeting**

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Noah D. Genel  
Commissioner and Chair

**Approved at July 30, 2020  
Telephonic Commission Meeting**

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Kathryn Garcia, Commissioner  
Department of Sanitation

**Approved at July 30, 2020  
Telephonic Commission Meeting**

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Margaret Garnett, Commissioner  
Department of Investigation

**Approved at July 30, 2020  
Telephonic Commission Meeting**

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Lorelei Salas, Commissioner  
Department of Consumer and Worker Protection

**Approved at July 30, 2020  
Telephonic Commission Meeting**

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Andrew Schwartz, Deputy Commissioner  
(Designee)  
Department of Small Business Services

**Approved at July 30, 2020  
Telephonic Commission Meeting**

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John Dusanenko, Captain  
(Designee)  
New York City Police Department